

DRAFT

**Summary of a Global Market Initiative
For
Concentrating Solar Power**

The Palm Springs Protocol

At the First International Executive CSP Conference held in June 2002 in Berlin, Germany, strategies towards the rapid and large-scale market implementation of CSP were defined and summarized in the Declaration of Berlin, which was registered as a UNEP Market Facilitation WSSD Type-II Partnership for CSP Technologies.

At the Second International Executive CSP Conference held in October 2003 in Palm Springs, California, a Global Market Initiative was developed.

The Palm Springs participants concluded as follows:

Whereas:

1. The solar resource necessary for CSP technologies is widely available around the world.
2. Many economic and environmental benefits will accrue from developing this resource.
3. Solar thermal power plants, which make use of the CSP technology, have the capability to meet a significant percentage of the future global electricity demand without technological, economic, or natural resource limitations.
4. Due to the “fuel-saving” solar field investment the initial capital costs for CSP plants are higher than the initial cost of conventional power plants, which purchase their fuel over time at uncertain prices.
Reconciling this, independent studies predict that the cost of CSP power will be fully competitive with fossil-based power once 5,000 MW of new CSP capacity has been installed.
5. This Global Market Initiative is needed to level the playing field of CSP technologies.
6. CSP addresses many of the world’s most pressing issues, energy security, energy independence, climate change, air and water quality and long term price stability.

October 23,2003

Therefore:

1. We, the participants in the Palm Springs Conference have agreed to form a collaborative effort to be known as the CSP Global Market Initiative with the objective to deploy 5,000 MW of CSP power by 2013. Countries and States that wish to develop solar energy resources are invited to participate in this initiative.
2. The endorsement by the Global Environment Facility, UNEP and other major multinational organization is anticipated.
3. The following elements are considered to be essential to achieve the stated GMI goals:
 - Set targets for commercial, utility scaled CSP plants
 - Facilitate the process of bringing buyers of electricity and developers of CSP plants together
 - Establish adequate tariffs or equivalent mechanisms to allow CSP plants to be financed
 - Establish essential policies to facilitate CSP plants
 - Facilitate long-term low-interest debt financing
 - Establish open, fair and streamlined contract processes.
 - Support long-term contracts with credit-worthy purchasers.
4. The purpose of this initiative is to expedite the deployment of new CSP power plants from identification of CSP project opportunities to project commissioning.

Organization, Structure & Management

- The current organizers pledge to develop a plan for the organization, structure and management, which will be submitted and adopted prior to the Renewable 2004 Conference in Bonn, Germany.
- The Palm Springs participants have agreed that GMI should have a qualified full-time management staff, which will initially be under the umbrella of the IEA or another acceptable international organization.

Immediate Next Steps:

1. Finalize the full GMI text in accordance with this protocol by early December 2003 (designated editors for this task are Fred Morse, Rainer Aringhoff, John Myles, Tefwik Hasni and Kevin Nassiep.)
2. Secure the GMI endorsement by the interested States and Countries.
3. Cultivate ancillary support and raise awareness for GMI (Develop marketing strategies, media approach etc...)
4. The Target for success – The renewables 2004 Conference taking place in Bonn, Germany in June 1-4 2004 will include an emphatic mandate for the implementation of the GMI